Review of Loan Waiver Scheme

*14. SHRI M.V. CHANDRA-SHEKARA MURTHY: Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government propose to review the working of the loan waiver scheme introduced by the previous Government;

(b) if so, the details thereof; and

(c) the time by which a decision is likely to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) The working of the Agricultural and Rural Debt Relief Scheme is monitored regularly by the Reserve Bank of India and the National Bank for Agricultural and Rural Development. There is no proposal under the consideration of the Government to make any changes in the scheme.

(b) and (c) In view of (a) above, questions do not arise.

Investment by NRIs

*15. SHRI PRAKASH V. PATIL: Will the Minister of FINANCE be pleased to state:

(a) the details of the Government's plan to attract maximum investments by NRIs for speedy development of the country;

(b) the areas offered to NRIs for direct investments;

(c) the details of the NRI proposals with total investment, approved by the Government during 1989-90 and 1990-91

(d) the areas/investments schemes where NRI's response has not been according to the expectations; and

(e) the steps proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b) Many Schemes/facilities to attract Non-resident Indians (NRI) investment are in existence. Government attaches great importance to investment by NRIs and has taken a number of steps to make such investments attractive.

Direct Investment with full repatriation benefits can be made by NRIs in new issues made by all companies (Non-FERA) upto 40% and and upto 74% in specified priority industries, 3, 4 and 5 star hotels, air taxis and advanced diagnostic centres. In other areas, investment is permitted with an export commitment of at least 60% and 75% for areas reserved for small scale. Investment upto 100% can be made in 100% export oriented projects including 3, 4 and star hotels and in the revival of sick units. Direct Investment on non-repatriation basis can be freely made by NRIs except in projects related to real estate, agriculture and plantation.

(c) the details of NRI proposals approved by RBI in 1989-90 and 1990-91 are given below :

Scheme	*Amount in Rs. crore* 1989-90	1990-91
1. 40% Scheme	187.27	209.70
2. 74% Scheme	8.90	7.44
3. Direct Investment (Non-repatriable)	48.52	15.85

(d) and (e) Policies and schemes for NRIs are continuously reviewed by Government, and, from time to time, new schemes and facilities are devised in areas where response is not as encouraging as expected. This is a continuing process and views and